

Testimony of the Honorable Joe Baca

before the

House Committee on Veterans' Affairs

Subcommittee on Disability Assistance and Memorial Affairs

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Thank you Chairman Hall, Ranking Member Lamborn and the Members of this distinguished Subcommittee for holding this important hearing and for giving me the opportunity to come speak on H.R. 1435. This is legislation that I introduced earlier this year to help address the veterans' claims backlog, which is an issue I have been concerned about for many years. While I have carried backlog-related bills in the past, H.R. 1435 is new for the 110<sup>th</sup> Congress and I am excited to talk to you about this bill today.

As you may already know, there are currently an estimated 600,000 to 800,000 backlogged claims pending at the Veterans' Administration. The average claim currently takes about 6 months to process and the average appeal takes almost 2 years!

What's also important to keep in mind is that the majority of these pending claims are for older veterans – many in their sixties and seventies, who depend on their veterans benefits to assist them in the latter years of their life. These men and women served our country honorably in conflicts like Korea and Vietnam and deserve to live the rest of their lives with dignity and respect! Instead, many of them are spending the last years of their life filling out redundant paperwork, calling the Department of Veterans Affairs, and waiting for the benefits they deserve. Many of these veterans need medical care for conditions like diabetes, post-traumatic stress disorder, and other serious medical conditions that can't wait 6-12 months for treatment.

An article in last week's Washington Post described World War II veteran Seymour D. Lewis, a former Army private who waited for the mailman at his front door every day for

five years for a letter from the VA about his disability claim. He had lost the hearing in his right ear due to a grenade explosion in 1944 and it wasn't until 2001 when he started to receive \$200 a month from the VA for his disability. He felt that he deserved more and appealed his claim. So Seymour Lewis filed an appeal and waited for his mailman to bring a response. Unfortunately, the response never came. His claim was still pending when he died last year at the age of 80.

This tragedy is not an isolated incident. It is happening all across the country. Its shameful and alarming and what's worse is that the current backlog figures do not include the hundreds and thousands of veterans that will be returning home from Iraq and Afghanistan over the next few years. According to a report by the Government Accountability Office there will be 400,000 new claims by the end of 2009 alone.

All of these facts make it clear to me that we need to come up with new solutions *now*. We need a system to eliminate the current backlog and expand our existing federal infrastructure to accommodate the 638,000 *new* claims that GAO expects to be filed in the next five years from the Iraq War alone.

I am extremely proud of H.R. 1435 because I believe it is a creative, common-sense idea that takes a positive step towards reducing the backlog. H.R. 1435 is based on legislation I carried in the 109<sup>th</sup> Congress, H.R. 616, the Veterans Claims Backlog Reduction Act of 2005. However, H.R. 1435 is a completely new bill that incorporates new ideas and addresses some past concerns and I truly believe it will make difference in the lives of our veterans.

H.R. 1435 is a leaner, meaner bill that that has built-in accountability, incorporates fiscal discipline, and provides a much-needed service to our veterans and their families. This legislation would establish a 3-year pilot program at the Department of Veterans Affairs (VA) to reduce the backlog by partnering with County Veterans Service Officers in five states to develop pending claims.

The five states - California, Florida, Ohio, South Carolina and Texas – were picked based on the extent of their County Veterans Service Officer networks, the veteran population in those states, and because we wanted a good sample of both large and small states in different regions of the country.

Under the pilot program, the VA will be required to identify the pending claims in those five states that need further development in order to be considered “ready to be rated.”

The VA will then refer those claims and any relevant information to the veteran’s nearest County Veterans Service Officer (CVSO). The CVSO will then contact the veteran or their family and work with them and any veteran service organization that has established a power of attorney to fully develop the claim. Once the claim is fully developed, it will be returned to the VA ready for approval.

At the end of the pilot, the Secretary will then submit a report to Congress that will give an accurate “before” and “after” snapshot of the claims backlog in those states. It will show how many claims each state started with, how many are left, and how many were successfully processed during the pilot. Congress, the VA, the states, and the American public will be able to see in black and white whether or not this program was effective.

If it is successful, the VA will have a proven program that can be expanded to other states. If it is unsuccessful, then at least we made an honest attempt to address an urgent problem without wasting the taxpayers' money.

We are still waiting on a cost estimate for this pilot from the Congressional Budget Office, but because this pilot uses an existing network of county employees, the cost to the taxpayers will be relatively minimal. The only costs related to this program will be administrative. For instance, the VA will have to identify the pending claims, transfer them to the CVSOs and then compile a final report at the end of the pilot.

H.R. 1435 is vastly improved to H.R. 616 for many reasons. First, it addresses a concern that since County Veterans Service Officers aren't available in every state, any nationwide program utilizing CVSOs would unfairly punish those veterans who reside in states that don't. Most states – 37 to be exact – utilize a network of CVSOs to provide the majority of its veterans' services, in conjunction with various veterans groups. By creating a 3-year pilot in a diverse sample of states, we will be able to see if the CVSO system is truly effective and thereby provide the remaining 13 states with important information on which systems work and which don't.

Secondly, H.R. 1435 improves upon H.R. 616 by bringing veterans service organizations into the process. We clearly provide language in the bill that acknowledges the role of veteran service organizations in the claims process and directs the CVSO to work with any VSO with an established power of attorney. Our veterans groups play a vital and irreplaceable role in the veterans claim process and we welcome any assistance and

guidance that will enhance the pilot program and help the CVSO and VA to quickly and effectively develop the claims.

Thirdly, H.R. 1435 gives us an opportunity to try a program to see if it really works. After all, the goal of this legislation is to create a reliable and effective means of reducing our veterans' claims backlog. To authorize any federal program that doesn't actually accomplish this goal would not only be useless, but it would be doing our veterans a huge disservice. They have already sacrificed enormously for this country and have waited too long to receive the benefits they deserve. We need a system that works.

Finally, H.R. 1435 helps to address the argument that the backlog isn't just caused by a lack of developed claims. Some argue that the part of the problem has to do with a shortage of staff at the VA to evaluate the claims once they are submitted. By allowing the County Veterans Service Officers to take some of the claims development burden off the Department, the VA can then take the next three years to hire and train more staff to evaluate claims and fight this battle on both fronts.

Deputy VA Undersecretary Robert Aument testified before this Subcommittee a month ago and said that the VA plans to add 400 employees by the end of June. If the backlog problem is really being caused by a lack of staff who can evaluate these claims, then let's direct this new manpower towards that part of the process. In the meantime, why not harness the collective expertise of 2,400 VA-Accredited County Veterans Service Officers who already assist veterans in submitting their claims to work on the development side of the equation?

CVSOs are often so effective at their jobs that many states rely on them to provide the bulk of their veterans' claims services. For instance, in my home state of California, there are approximately 160 highly qualified CVSOs while the CA Department of Veterans Affairs (CDVA) only has 14 veterans claim representatives. In a recent report by the CA Department of Veterans Affairs, it was recommended that the best way to improve claims services for veterans in California was to increase state funding to CVSOs.

Once again, I would like to thank Chairman Hall, Ranking Member Lamborn and the Members of this Subcommittee for giving me the opportunity to speak on this legislation and hope that you will lend your support to it. H.R. 1435 is a good common-sense bill and I think it will be a good first step towards reducing our backlog and giving our veterans the benefits and services they so deserve.

I would like to thank our veterans who have served our country so courageously. I'm sure that I speak for every Member on this panel today when I say that we want to make sure our government is doing everything it can to provide our men and women in uniform with the best resources before, during, and after their service to this country.

I thank you for this opportunity and would be happy to respond to any questions you may have at this time.